

PROJECT AGREEMENT

FOR

**OPERATION OF PATENT AND TRADEMARK OFFICE
MAIL CENTER**

ISSUED BY

THE UNITED STATES PATENT AND TRADEMARK OFFICE

**SOLICITATION NUMBER
52-PAPT-8-00020**

1. BACKGROUND & PURPOSE

The U.S. Patent and Trademark Office (PTO), Office of Administrative Services, seeks to award a contract to acquire the operation of a centralized Mail Center. This contract will provide for the receipt, sorting, and distribution of PTO incoming, outgoing and interoffice mail, including patent application files, at the highest level of quality and in a timely manner.

In fulfilling this strategic planning objective, the PTO will be utilizing a new, streamlined acquisition process described in the document entitled **Department of Commerce (DOC) Acquisition Process Case for Change**, available at <http://www.doc.gov/oam/conops>. In order to successfully implement this new acquisition process, the Government seeks the cooperation of the vendor community in an effort to conduct business fairly, in an atmosphere of integrity and openness. The PTO highly encourages the use of alternative dispute resolution procedures to settle any disagreement resulting from the use of this Project Agreement such as the Department of Commerce's new agency level protest procedures which are included in this Project Agreement by reference (see Federal Acquisition Regulation (FAR) clause 33.103).

This Project Agreement will establish an agreement between the Project Team and the Director, Office of Administrative Services. It will empower the Project Team to research and acquire the Mail Center services necessary to allow the Office of Administrative Services to provide high quality mail services to its customers in a timely manner. This Project Agreement outlines the Project Objective, Project Team duties, estimated budget, high-level milestones and associated ground rules.

To gain a better understanding of this new and innovative acquisition process, it is vital to understand where the Government has been and where the Government is going. The Government Performance and Results Act of 1993 (GPRA) was developed at a time when resources were limited and public demands for services were high. With the potential for adding greatly to Government performance, GPRA forces a shift in the focus of federal agencies away from the traditional concerns such as staffing and activity levels and toward a single overriding issue: results. GPRA forces agencies to define their mission, establish goals and determine how those goals will be met, establish performance measures, use the information gathered from those performance measures to make improvements, and report on their accomplishments. In keeping with GPRA, the Information Technology Management Reform Act of 1996 (ITMRA) was developed to require that agencies set goals, measure performance and report on progress in improving the efficiency and effectiveness of operations through the use of information technology.

Consistent with GPRA and ITMRA, any resulting contract(s) will contain performance-based measures emphasizing quality and customer satisfaction.

2. AUTHORITY

This Project Agreement is hereby authorized by the Associate Commissioner and Chief Financial Officer of the PTO and is identified as a requirement of the Patent and Trademark Office, Office of Administrative Services.

3. PROJECT OBJECTIVE

The project objective is to select a responsible contractor to operate a centralized mail facility which provides for the receipt, sorting and distribution of incoming, outgoing and interoffice mail, including patent application files, at the highest level of quality and in a timely manner. It is anticipated that a contract will be awarded not later than **September 25, 1998.**

The offerors have a unique opportunity under this Project Agreement. In a recent Presidential Executive Memorandum to the Heads of Executive Agencies to promote the Federal hiring of welfare recipients, the President stated that he has also urged businesses across the Nation to offer jobs to welfare recipients. In furtherance of this goal, PTO highly encourages offerors on this Project Agreement to propose the hiring of welfare recipients in meeting requirements of the Project Objective. Accordingly, offerors' intent and proposal to hire welfare recipients to fulfill contract requirements will be a key discriminator during evaluation.

The following is a brief description of the mail services and deliverables desired by the PTO. Offerors are encouraged to respond to all of the following with innovative and creative approaches for the accomplishment of the work, including the use of welfare recipients as part of the offeror's workforce. Offerors are hereby advised that an objective of the Mail Center services is to provide higher and continuously improving customer service in an environment of constant organizational change. Therefore, it will be incumbent upon the offerors to demonstrate flexibility to quickly adjust processes, personnel, personnel skill levels and management techniques. Offerors who fail to respond to all of the requirements listed below will not be considered for further evaluation.

3.1 MAIL CENTER SERVICES

The Patent and Trademark Office requires the operation of a Mail Center which provides for the receipt, sorting and distribution of incoming, outgoing and interoffice mail, including patent application files, at the highest level of quality and in a timely manner. This mail consists of Patent/Trademark inter-office mail and mail received from and dispatched to the U. S. Postal Service and other commercial carriers. Improperly addressed mail will be researched for proper routing.

The PTO requires the contractor to establish, maintain, monitor and update a simple stand alone Mail Center address database that provides the possibility of daily updates. This database will contain the current names and current addresses of all PTO organizations and approximately 6,000 to 7,000 PTO employees. Only Mail Center employees have access to the database. The Contractor is required to obtain the address data from the administrative officials or their designated point of contact within each PTO organization.

The Government will provide the following space to the Contractor from which to conduct operations:

U.S. Patent and Trademark Office Mail Center
2011 South Clark Place
Crystal Plaza 2-1A03 (approximately 1,825 square feet)

This site includes a security cage located on the G1 level, directly below the Mail Center. It provides a secure location for mail awaiting pick up by the U.S. Postal Service.

Additional office space is available to accommodate two (2) people.

The PTO requires a Contractor to provide all necessary qualified personnel, supervision, management, training, administrative and technical services and vehicles to support the Mail Center services at the PTO. Normal operation of this facility will be daily, Monday through Friday, excluding Federal holidays during the hours of 6:30 a.m. to 5:30 p.m. Currently, mail is delivered to PTO Staff located within the following 17 buildings with 117 mail stops. The number of mail stops is subject to change due to future reorganizations. See Attachment I-Mail Center, Mail Stops/Delivery Schedule.

CG2	Crystal Gateway 2	1225 Jefferson Davis Highway
CG4	Crystal Gateway 4	1213 Jefferson Davis Highway
CM1	Crystal Mall 1	1911 South Clark Place
CM2	Crystal Mall 2	1921 Jefferson Davis Highway
CP1	Crystal Plaza 1	2001 Jefferson Davis Highway
CP2	Crystal Plaza 2	2011 South Clark Place
CP3/4	Crystal Plaza 3/4	2021 South Clark Place
CP4	Crystal Plaza 4	2201 South Clark Place
CP6	Crystal Plaza 6	2221 South Clark Place
CS2	Crystal Square 2	1725 Jefferson Davis Highway
CS4	Crystal Square 4	1745 Jefferson Davis Highway
CS5	Crystal Square 5	1755 Jefferson Davis Highway
PK1	Crystal Park 1	2011 Crystal Drive
PK2	Crystal Park 2	2121 Crystal Drive
PK3	Crystal Park 3	2231 Crystal Drive
NT	North Tower	2800 Crystal Drive
ST	South Tower	2900 Crystal Drive

The annual workload is an estimated 14.9 million pieces of mail. See Attachment II-Mail Center Workload, Estimated Annual Total, Base Contract Period for categories and estimated annual volumes. The PTO anticipates a 7% increase of annual volumes per year over the life of the contract.

The Government shall furnish the equipment listed in Attachment III-Mail Center, Government Furnished Equipment.

3.2 INCOMING USPS

Incoming USPS mail will be picked up from the Crystal Plaza 2 building, G1 level, behind the building, at 6:30 a.m. and 10:30 a.m., and brought up to the Mail Center for processing. All letters, flats, express and parcels must receive a Mail Center date-stamp on the outside of envelope or package and then be separated into six categories:

Specially Addressed Mail
Classified Mail
Regular Mail/USPS Express Mail
Incomplete Addressed Mail
Returned Mail from USPS
Certified and Registered Mail

Specially Addressed Mail: Specially addressed mail will receive a mail date-stamp on the outside of the package (i.e., envelope, etc.). After each piece has been date-stamped, each piece should be counted, and this count should be maintained in a log. The Specially Addressed mail is now ready to be sorted according to mail stop. The mail clerk will then be responsible for delivery of mail to the appropriate location.

Classified Mail: Classified mail can only be handled by those employees who have received the security clearance detailed under Personnel Investigations. Classified mail is usually, but not always, received from any of the Defense Agencies (e.g., Army, Navy, and Air Force), as well as NASA. Classified mail is oftentimes addressed directly to a specific office within PTO. When classified mail is received, it should be date-stamped and counted, and this count should be maintained in a log, then placed within the PTO safe.

Regular Mail/USPS Express Mail: Regular mail/USPS express mail will be sorted by letters, flats and express mail. Each of these pieces should be date-stamped and counted, and the count should be maintained in a log. After which, they should be bundled into stacks of 38 letters, 18 flats and 10 express mail. A second date-stamp is also placed on the front of the USPS express mail envelope to validate the mail-date-of-deposit into the USPS mail stream. These bundles are then delivered directly to the Office of Initial Patent Examination (OIPE).

Incomplete Addressed Mail: Incomplete addressed mail should be reviewed by the Contractor. It is the Contractor's responsibility to forward mail to the appropriate office/employee through the use of the PTO Mail Center address database. If the Contractor is unable to determine a location for delivery, this mail can be returned to the USPS at the 4:00 p.m. pick-up as "undeliverable." A count of all incomplete mail both directed to the appropriate office/employee and returned to USPS should be maintained in a log.

Returned Mail from USPS: Returned mail from USPS should be reviewed by the Contractor. If at all possible, it is the Contractor's responsibility to forward returned mail to originating office/employee by either using the Mail Center address database or opening the piece of mail to determine origination. A count of all returned mail should be maintained in a log.

Certified and Registered Mail: Certified and Registered mail can only be handled by those Contractor employees who have received a DISCO clearance. All Certified and Registered mail must be signed for by the Contractor at the morning deliveries by USPS. The Contractor shall be responsible for verification of the rotary lock number on each bag versus the lock number on the manifest, before signing the manifest. After verifying all lock numbers and signing the manifest, the locked bags should be taken directly to the Mail Center.

Certified and Registered Mail should be taken to a separate area within the Mail Center to be processed. The pouch should be unlocked and the address label should be removed from the sack and thrown away. The contents of the pouch should be emptied onto the table. The Contractor is responsible for the verification of the numbers of each piece of mail versus the manifest. The manifest must be date-stamped. The returned receipt must be signed and comments made, if any. This receipt must be returned to USPS at the 4:00 p.m. pick-up.

The Certified and Registered mail should now be sorted into two categories:

Specially Addressed Certified and Registered Mail
Regular Certified and Registered Mail

Specially Addressed Certified and Registered Mail: Specially addressed certified and registered mail will receive a mail date-stamp on the outside of the package (i.e., envelope, etc.). After each piece has been date-stamped, each piece should be counted, and this count should be maintained in a log. The specially addressed certified and registered mail is now ready to be sorted according to mail stop. The mail clerk will then be responsible for delivery of mail to the appropriate location.

Regular Certified and Registered Mail: Regular certified and registered mail will be sorted by letters, flats and express mail. Each of these should be counted, date-stamped, and the count should be maintained in a log. After which, they should be bundled into stacks of 38 letters, 18 flats, and 10 express mail. These bundles are then delivered directly to OIPE.

3.3 OUTGOING USPS

The Contractor shall be responsible for properly staging all outgoing mail for the USPS pick-up(s). Quality Control is essential. Outgoing mail will consist of three categories:

Letters, Flats, Parcels and Express Mail
Certified Mail

Registered Mail

Letters, Flats, Parcels and Express Mail: All letters, flats, parcels and express mail will be prepared the same for outgoing mail. All should be weighed and metered to determine cost. It is the Contractor's responsibility to "shop-rate" for the most efficient way to send the mail and for incorporating "new" procedures (i.e., pre-sorting and bar coding, etc.) in order to receive postal rate discounts.

After the mail has been weighed and metered, it should be placed in the proper postal equipment (i.e., flat and letter trays, etc.). The mail should be taken down to the Crystal Plaza 2 loading area to meet designated pick-up times by USPS. The Contractor shall be responsible for not leaving mail for USPS pick-up unattended at the loading area. A Contractor employee must wait for a USPS representative to arrive before leaving the loading area.

Certified Mail: Certified mail will be brought to the Mail Center by a PTO employee. It is the Contractor's responsibility to log the mail on the manifest and weigh and meter the mail. All certified mail should be placed in a number 3 bag. The bag(s) should be taken down to the Crystal Plaza 2 loading area to meet designated pick-up times by USPS. The Contractor shall be responsible for not leaving mail for USPS pick-up unattended at the loading area. A Contractor employee must wait for a USPS representative to arrive before leaving the loading area.

Registered Mail: Registered mail will be brought to the Mail Center by a PTO employee. It is the Contractor's responsibility to log the mail on the manifest and weigh and meter the mail. All registered mail should be placed in a number 2 bag along with a copy of the manifest. The number 2 bag should be tied with a rotary lock. The rotary lock number should be logged onto the manifest. The bag(s) should be taken down to the Crystal Plaza 2 loading area to meet designated pick-up times by USPS. A postal worker will verify the rotary lock number versus the manifest at the time of receipt. The postal worker will sign the manifest after verification.

3.4 OUTGOING DOMESTIC/INTERNATIONAL EXPRESS MAIL

The Contractor shall be responsible for processing outgoing domestic/international express mail as follows:

Upon the receipt of the letter/package to be mailed through the outgoing domestic/international express mail services, the Contractor shall be responsible for weighing and determining the cost of the letter/package. The letter/package will automatically be logged when weighed. A daily report of all outgoing domestic/international express mail should be maintained by the Contractor. All outgoing domestic/international express mail will be picked-up at designated times by a carrier representative.

The Contractor shall be responsible for processing outgoing express worldwide mail and shall have sole responsibility for determining that a letter/package should be mailed through express worldwide. After determination, the Contractor shall be responsible for weighing the letter/package and completing the airway bill. Express worldwide will pick-up daily at designated times.

It is the Contractor's responsibility to "shop rate" for the most efficient way to send the mail overnight and for incorporating "new" procedures in an attempt to streamline the process and save PTO postal costs.

3.5 INTER-OFFICE MAIL

The Contractor shall be responsible for sorting inter-office mail according to mail stop (see Attachment I- Mail Center, Mail Stops/Delivery Schedule). This mail should be counted and the count maintained in a daily log. The mail clerks will then be responsible for delivery of mail to the appropriate locations.

3.6 SPECIAL DISTRIBUTIONS

The Contractor shall be responsible for sorting special distributions to the appropriate mail stops based on the particular distribution requirements. It will be Contractor's responsibility to maintain an office listing of special distribution requirements. This listing should contain the office name, mail stop, special distribution requirements, and the number of pieces for each special distribution mailing needed. The mail should be sorted according to mail stop. The mail clerk will then be responsible for delivery of mail to the appropriate location and receiving a signature at each mail stop as verification that the special distribution was received by each office/mail stop. A log of all special distributions should be maintained by the Contractor.

3.7 ADDITIONAL REQUIREMENTS

General: The PTO requires a Contractor who will provide technical advice and assistance to PTO offices and employees to resolve operational problems, reduce mailing costs, improve PTO mail delivery/pick-up services and implement new PTO mailing programs.

Saturday Operation: The PTO requires **limited operation** of the Mail Center on Saturdays for the handling of U.S. Postal Service mail deliveries and the pickup/delivery of mail to mail stops identified on Attachment I-Mail Center Mail Stops/Delivery Schedule by an asterisk (*).

Additional Sort: Letters, flats and parcels initially delivered to OIPE that do not contain a patent application or application related material, will be returned to the Mail Center and sorted by address for delivery. This is a daily requirement.

3.8 REPORTS/MEETINGS

The Contractor shall be responsible for maintaining logs and reports at the direction of the COTR and for participating in regular meetings to assure that the highest quality standards are achieved and maintained. The following reports shall be submitted by the Contractor.

Workload Counts

The Contractor shall be responsible for maintaining logs with the daily workload counts for the following types of mail:

Incoming:

- **Specially Addressed Mail**
- **Classified Mail**
- **Regular Mail/USPS Express Mail**
- **Incomplete Addressed Mail**
- **Returned Mail from USPS**
- **Certified and Registered Mail**

Outgoing:

- **Letters, Flats, Parcels and Express Mail**
- **Certified Mail**
- **Registered Mail**
- **Domestic/International Express Mail**
- **Express Worldwide Mail**

Monthly Status Report

The Contractor shall be responsible for submitting monthly status reports to the COTR by the 5th of each month which will encompass the previous month. These reports should identify, but are not limited to, problem areas, new ideas for streamlining the process, requests for equipment/supplies, Quality Control reports and monthly workload numbers.

Damage Report

The Contractor shall be responsible for submitting damage reports in all instances where Government property and equipment are damaged by Contractor personnel. This report should be forwarded to the COTR within 24 hours of each occurrence.

Weekly Meetings

The Project Manager shall meet with the COTR weekly. The purpose of these meetings are to exchange information on all facets of Mail Center operations in an effort to identify/resolve problems and acknowledge accomplishments.

3.9 APPLICABLE LAWS, REGULATIONS, MANUALS AND FORMS

The PTO requires the Contractor to follow and use all applicable USPS laws, regulations, manuals and forms associated with mail service to accomplish the requirements of the PTO.

3.10 PERSONNEL

Project Manager: The Contractor shall provide a full time, on site Project Manager. This individual shall be responsible for the competent management and coordination of the Mail Center operation and shall act as the central point of contact with the PTO. The Project Manager shall have a record of conforming to contract requirements and good workmanship, a record of adhering to contract schedules, including the administrative aspects of and commitment to customer satisfaction, and a business-like concern for the interest of the customer. When contract work is being performed at times other than as described above or when the Project Manager cannot be present, an equally responsible individual shall be designated by the Contractor to be present on the site and fully empowered to act for the Project Manager/Contractor. The Project Manager or designated representative, shall meet with the COTR and any other government personnel designated by the Contracting Officer to discuss immediate problem areas. The Project Manager or representative shall respond within eight (8) working hours after notification of a problem.

Personnel Investigations: Each contract employee employed under the contract shall undergo security processing by the Department's Office of Security (OSY) before he or she is eligible to work on the premises of the Herbert C. Hoover (HCH) Building or other buildings used for Department operations.

Non-U.S. citizens to be employed under the contract must: 1. Have official legal status in the United States; 2. Have continuously resided in the United States for the last 2 years; and 3. Have advance approval from the servicing Security Officer in consultation with the Office of Security. (The Office of Security routinely consults with appropriate agencies regarding the use of the non-U.S. citizens on contracts and can provide up to date information concerning this matter).

Security Processing for a proposed Contractor employee will be initiated by the Contractor submitted forms SF-85P (Questionnaire for Public Trust Positions). FD-258 (Fingerprint Chart with OPM ORI number), and any requested releases to the cognizant Security Officer. Upon completion of the security processing. OSY, through the Security Officer and the COTR, will notify the Contractor in writing of the individual's eligibility to be given access to the HCH Building or other DOC buildings.

Security Processing shall consist of limited personal background inquiries pertaining to verification of name, physical description, marital status, present and former residences, education, employment history, criminal record, personal references, medical fitness, fingerprint classification, and other pertinent information. It is the option of OSY to repeat the security processing on any contract employee at its discretion.

If OSY receives disqualifying information on a contract employee, the Contractor, upon notice, will immediately remove the employee from duty which requires access to DOC facilities. Contract employees may be barred from working on the premises of a facility for any of the following: 1. Conviction of a felony of a crime of violence or of a misdemeanor involving moral turpitude. 2. Falsification of information entered on security screening forms or of other documents submitted to the Department. 3. Improper conduct once performing on the contract, including criminal, infamous, dishonest, immoral, or notoriously disgraceful conduct or other conduct prejudicial to the Government regardless of whether the conduct directly related to the contract. 4. Any behavior judged to pose a potential threat to departmental personnel or property.

Failure to comply with the requirements may result in termination of this contract, or removal of some contracted employees from DOC facilities.

Compliance with these requirements shall not be constructed as providing a contract employee clearance to have access to classified information

Training: All Contractor personnel assigned to the Mail Center shall be given a minimum of eight hours orientation training in Mail Center operations. This training shall cover, but is not limited to the following:

- Understanding of USPS's five classes of mail
- Methods/procedures set forth in this PA for processing each class of mail
- Familiarity and understanding of commonly-used mail terminology
- Use and operation of mail handling equipment
- Organizational structure of the PTO
- Understanding exact locations of the PTO mail routing system

Education and Proficiency in the English Language: All Contractor personnel shall be able to read, write, speak and understand English well enough to efficiently carry out Mail Center work.

Physical Demands: All contractor personnel who make door-to-door mail deliveries, who handle mail bags and mail hampers often weighing in excess of 70 pounds, or who receive stock and distribute publications, must be physically able to perform these functions without impeding the orderly process of the mail or Mail Center operation.

Roster of Contractor Employees: The Contractor shall keep and maintain a roster of Contractor employees who work or are eligible to work under this proposed contract. An updated copy of this roster shall be submitted to the COTR and the PTO Security Specialist no later than the first day after personnel are hired to work.

Key Control: The Contractor shall establish methods of ensuring that all keys issued to the Contractor by PTO are safeguarded and are not used by unauthorized persons. PTO keys may not be duplicated. The Contractor shall establish procedures for key control in its Quality Control Plan.

The PTO will furnish all required re-keying or replacement of locks as determined necessary by the COTR. Requests for these services shall be placed in writing from the Contractor to the COTR. The Contractor shall report the occurrence of a lost key immediately, or no later than the next duty day to the COTR.

It is the responsibility of the Contractor to prohibit the use of keys issued by PTO by any persons other than the Contractor's employees. It is also the responsibility of the Contractor to prohibit the opening of locked areas by the Contractor's employees to permit entrance of persons other than Contractor's employees who are engaged in the performance of assigned work in those areas.

Contractor Personnel - Attire: While on duty, all Contractor staff shall be dressed in uniforms that identify them as being members of the PTO Mail Center staff. The design of these uniforms is to be approved in advance by the COTR. Uniforms are to be provided by the Contractor.

Building Security and Regulations: The Contractor shall adhere to all security and building use regulations. The Contractor shall be responsible for ensuring employees are kept current of all directives affecting building security and procedures.

Identification: Contractor personnel shall have visible, on their person, a Contractor identification badge provided by PTO. This identification badge shall be worn at all times while working on site. Contractor employee identification shall be required in addition to any other identification required and provided by the Government. In all communications, including communication by telephone, or by a hard copy of electronic correspondence, Contractor employees shall clearly state their names and the Contractor's name.

Parking: The Contractor's employees will be responsible for their own parking within the Crystal City Complex. PTO will not reimburse Contractor or Contractor employees for parking expenses.

Admittance to Work Site: Contractor personnel may enter the work site only during their scheduled hours of work.

3.11 QUALITY CONTROL

The Office of Administrative Services has as a part of its mission the responsibility of achieving and maintaining the highest levels of quality and customer satisfaction. The successful offeror will become a partner with the Government and work with the PTO to provide a Mail Center that is equal to the “Best in the Business.”

A comprehensive Quality Control (QC) plan will be required that establishes customer service and production-oriented goals and tracks performance against these stated goals. The purpose of the QC plan will be to initiate and stimulate positive action with emphasis on **continuous improvement**. The successful offeror and the PTO will work together to choose quality indicators and ensure that all customer service standards and specifications are met. Offerors are required to submit proposals that award superior performance at the task level as well as resolve unsatisfactory performance at the task level. The QC plan may be modified during the contract life as deemed necessary. In addition, the offerors will be required to submit a demonstrated QC plan that will address the monitoring of the contract cost, delivery schedule, technical performance and staff education.

4. MEMBERS

Members of this Project Team have overall authority and responsibility for the successful accomplishment of the Project Objective and fulfillment of the terms of this Project Agreement. Team members were selected and assigned on the basis of the PTO’s cross-functional needs and includes a warranted procurement official, as well as program and legal representatives.

5. EMPOWERMENT

This Project Agreement fully empowers the Project Team to meet the overall Project Objectives and authorizes the Project Team to take all steps necessary for the acquisition, including the development of an overall project strategy, an acquisition strategy, and selection of contractor(s), subject only to statutory requirements. No further authorizations are required. The Project Team will update the Director, Office of Administrative Services on the progress in meeting the Project Objective on a weekly basis and as major milestones are achieved.

6. ESTIMATED BUDGET

The total estimated budget for meeting the Project Objective resulting from this Project Agreement is **\$1.8 million** for the first year.

Funding will be on an annual basis, subject to the availability of funds, to support requirements of any resultant contract.

7. MILESTONES

The PTO's goal is to have the services acquired and the new contract ready to support the Office of Administrative Services by **September 25, 1998**. A Statement of Need (SON) containing further target milestones will be issued to those offerors after the initial down-select whose approaches and estimated costs are considered to be both economically viable and technically capable of meeting the Project Objective in response to the Project Agreement.

The PTO reserves the right to make an award based on initial responses to the Project Agreement. Therefore, each initial proposal should contain the offeror's best terms from both a price and technical standpoint.

8. TERM

The term of the project begins on the date of this document and concludes when the contract has been awarded, the contractor is in place, services required are being provided, and close-out functions are completed. The anticipated period of performance of this contract is a one year base period and four one-year option periods.

9. SCOPE

The Project Agreement will be available electronically on the PTO's ReMAP Home Page <http://www.uspto.gov/go/conops> under PTO projects. Phase I (Steps 1 through 3) includes assessments of market capability and selection of those approaches considered capable of meeting the Project Objective. In Phase II (Steps 4 through 6), the Project Team develops and issues a SON based upon the evaluation of the responses to the Project Agreement. The SON will be issued directly to those selected sources whose approaches and cost estimates are considered to be both economically viable and technically capable of meeting the Project Objective and who are down-selected pursuant to the evaluation criteria set forth below in Section 10. The Project Team may conduct oral discussions or request oral presentations from offerors in an effort to determine which offer constitutes the best value to the Government.

10. GROUND RULES FOR THE ACQUISITION/SELECTION PROCESS

This acquisition will generally be conducted according to the CONOPS as described in **Department of Commerce Acquisition Process Case for Change** <http://www.doc.gov/oam/conops> except as specifically stated herein. The PTO is seeking, through this Project Agreement, varied concepts and innovative approaches on how to accomplish all requirements of the Project Objective.

This acquisition is set aside for 8(a) small disadvantaged business concerns. The Standard Industrial Code (SIC) is 8744.

The Government intends to evaluate proposals and award a contract without discussions with offers (except clarifications as described in FAR 15.306(a)). Therefore, the offeror's initial proposal should contain the offeror's best terms from a cost or price and technical standpoint. The Government reserves the right to conduct discussions if the Contracting Officer later determines them to be necessary. If the Contracting Officer determines that the number of proposals that would otherwise be in the competitive range exceeds the number at which an efficient competition can be conducted, the Contracting Officer may limit the number of proposals in the competitive range to the greatest number that will permit an efficient competition among the most highly rated proposals.

The following steps will be used in the selection process:

PHASE I

STEP 1. PUBLISH PROJECT AGREEMENT

Availability of the Project Agreement on PTO's ReMAP Home Page <http://www.uspto.gov/go/conops> was announced in the CBD for a minimum of fifteen (15) days. This acquisition is conducted in accordance with the CONOPS and the Federal Acquisition Regulation (FAR).

PREPROPOSAL CONFERENCE AND SITE VISIT

The purpose of the preproposal conference and site visit is to exchange information among all interested parties in order to improve the understanding of the PTO's requirements and industry capabilities, thereby allowing potential offerors to judge whether or how they can satisfy the PTO's requirements. This exchange of information will enhance the PTO's ability to obtain quality Mail Center services at reasonable prices, and increase efficiency in proposal preparation.

The PTO will be offering a preproposal conference and site visit to the Mail Center located in Crystal City, Arlington Va. The conference and site visit will be held on **Wednesday, June 3, 1998 at 10:00 a.m.** The location for the conference and site visit is the U.S. Patent and Trademark Office, One Crystal Park, Suite 819, Customer

Conference Center, 2011 Crystal Drive, Arlington Va. Each offeror will be allowed to bring two people. Intentions to participate must be submitted electronically at **MailCenter@uspto.gov** no later than **May 29, 1998**. Any additional information concerning the site visit and conference will be posted on the home page as it becomes available.

QUESTIONS AND RESPONSES

Questions pertaining to the Mail Center services as described in this Project Agreement are requested to be submitted electronically to the following internet address **MailCenter@uspto.gov**. All questions and answers will be published and made available at **<http://www.uspto.gov/go/conops>**. The identity of the author of the question will not be published. Questions must be presented no later than **June 5, 1998**. Answers are anticipated to be published within seven (7) days from that date.

STEP 2. INVITE AND RECEIVE OFFERORS' SUBMISSIONS

Offerors who wish to respond to the Government's needs as outlined in this Project Agreement are required to respond to the following evaluation factors:

- (1) PAST PERFORMANCE/EXPERIENCE**
- (2) QUALITY CONTROL**
- (3) MANAGEMENT PLAN/STAFFING PLAN**
- (4) TECHNICAL UNDERSTANDING AND APPROACH**
- (5) COST**

(1) PAST PERFORMANCE/EXPERIENCE

Past Performance

Corporate past performance is the assessment of the future performance risk as reflected by actual past and current performance. Relevant past performance on similar contracts will be evaluated for quality of performance. Both independent data and data provided by offerors in their proposals may be used to evaluate past performance. If an offeror has no relevant past performance history and is unable to provide relevant past performance references, the offeror shall so certify. The offeror shall provide the following information for all similar contracts within the past three years.

- 1. Agency or company, address, contract number**
- 2. Contracting Officer, Contracting Officer Technical Representative or Task Manager and telephone number and,**
- 3. Description of services provided**

These references should have contact information naming those person(s) most responsible for the day-to-day contract operation and administration. Any information found to be unreliable may result in a negative rating to the offeror. False information provided concerning an offeror will result in the PTO not considering an offeror for award of any resulting contract.

Experience

The offeror shall demonstrate specific knowledge of required Project Agreement services through a presentation of previous support provided for similar services. Where prior experience is not directly applicable, the offeror shall show the relationship of prior experience to the requirements of the Project Agreement.

Experience and demonstrated ability to handle mail contracts of similar size-at least 12 million pieces of mail per year;

Experience and demonstrated ability to serve multiple buildings;

Experience and demonstrated ability to schedule and operate vehicles appropriate for mail service to multiple locations; and

Experience and demonstrated ability to manage contracts with emphasis on incoming certified and registered mail-at least 20,000 pieces per month.

(2) QUALITY CONTROL

Quality Control

Quality Control must address but is not limited to a comprehensive Quality Control plan that establishes customer service and production-oriented goals and tracks performance against these stated goals. In addition, the plan will show how the offeror will award superior performance at the task level as well as resolve unsatisfactory performance at the task level. The plan will address the monitoring of contract cost, delivery schedule, technical performance and staff education.

Demonstrated use of a Quality Control plan in a mail services contract similar in size and scope to PTO; and

Demonstrated commitment to customer outreach involving internal customers in the quality process.

(3) MANAGEMENT PLAN/STAFFING PLAN

Management Plan/Staffing Plan

Organization and staffing is the functional organization and staffing from corporate level to field level proposed to provide the services required.

Provide a brief description of the offeror's organization and its capability. Provide an organization chart that shows the skill types, skill levels, category of employee and number of personnel for the organizational unit responsible for performing the work. The chart shall be supported by a narrative which details functions for the applicable organizational unit responsible for performance of the work.

Identify each key individual the offeror plans to use in performing the contract work and describe the role each will play in the effort. Provide resumes of the Project Manager and Supervisor, at a minimum, describing the work experience, education and professional credentials of these individuals.

Identify all subcontractors/consultant arrangements, if such are proposed and provide information similar to the foregoing on each entity. Also, specifically identify the work to be completed by each entity.

Provide demonstrated understanding of how many staff is required to do the work, a plan for recruitment and staff retention, and a demonstrated record of promotion from within.

(4) TECHNICAL UNDERSTANDING AND APPROACH

Technical Understanding And Approach

Technical understanding and approach is a detailed explanation of how the PTO's requirements will be met to operate a multi-functional Mail Center. The offeror is required to demonstrate an understanding of the scope and complexity of the work by describing in sufficient detail the approach for each mail processing task including procedures, performance monitoring, reporting methods, plans to optimize timeliness and effectiveness, and any new or innovative approaches.

(5) COST

Cost

The offerors shall demonstrate how their cost approach will provide the best overall value to the PTO. Offerors shall provide a cost estimate for base year and each option year to meet the requirements of the Project Agreement. Offerors are required to propose the type of contract associated with their technical approach. Offerors must fully and

adequately explain their cost proposal and chosen cost solutions. The Government will evaluate offers for award by adding the total price for all option years to the total price for the basic year. Evaluation of options will not obligate the Government to exercise the option(s).

The compensation levels proposed shall reflect a clear understanding of work to be performed and should indicate the capability of the proposed compensation structure to recruit and retain suitably qualified personnel in order to meet mission objectives. The labor rates shall be fully burdened and take into account differences in skills, the complexity of various technical areas, and job difficulty. The Wage Determination No.: 94-2103, Revision No.: 14, Date of Last Revision: 07/01/1997 is applicable to this acquisition. If the offeror is using Defense Contract Audit Agency (DCAA) recommended or negotiated rates for FY98 in its burdened rates, it shall state so in the cost proposal. If the offeror does not have DCAA recommended or negotiated labor, overhead or G & A rates, the offeror shall certify that the rates proposed are afforded to its best customers.

The first four elements, Past Performance/Experience, Quality Control, Management Plan/Staffing Plan and Technical Understanding And Approach, are of approximate equal weight and together are significantly more important than cost.

FORMAT OF OFFEROR RESPONSE TO PROJECT AGREEMENT

Offerors shall be responsible for accessing the web page <http://www.uspto.gov/go/conops> for any changes to this Project Agreement. All changes will be posted at this location.

Offerors are required to submit the following response to the Project Agreement:

- A. Technical Response
- B. Certifications and Representations
- C. Cost Estimate

A. TECHNICAL RESPONSE TO PROJECT AGREEMENT

The Technical Response to the Project Agreement shall not exceed twenty-five (25) pages total, inclusive of all offeror attachments. A two (2) page executive summary addressing contract responsibility shall be submitted, but not considered part of the total twenty-five (25) page limit. The Technical Response shall be comprised of the four sections identified below. Extraneous material will not be considered for evaluation.

- (1) PAST PERFORMANCE/EXPERIENCE**
- (2) QUALITY CONTROL**

(3) MANAGEMENT PLAN/STAFFING PLAN
(4) TECHNICAL UNDERSTANDING AND APPROACH

B. CERTIFICATIONS AND REPRESENTATIONS

The Section K - Certifications and Representations provided with this Project Agreement will be completed and submitted as part of the response to the Project Agreement.

C. COST PROPOSAL

The Cost Proposal may not exceed five (5) pages. Cost Proposals, although not scored, will be evaluated for fairness, reasonableness and realism to determine the ultimate cost to the PTO.

Eight (8) copies of the proposal shall be submitted in paper form and on a 3.5" High Density Diskette, formatted for IBM compatible personal computers, in Microsoft Word 6.0 and formatted for 8 1/2" by 11" white, untextured paper, single spaced. Margins shall be one (1) inch on all sides. The type for all documents submitted (including charts and graphs) shall be black, shall not exceed twelve (12) characters per linear inch or be smaller than twelve (12) point, and shall not exceed six (6) lines per vertical inch. All documents shall be received no later than **3:00 p.m., local time, June 29, 1998**, in the U.S. Patent and Trademark Office, Office of Procurement to the attention of Naomi Sorrell. All documents shall be delivered as a single package. Depending on the mode of delivery, offerors' responses should be addressed as follows:

U.S. Postal Service

U. S. Department of Commerce
Patent and Trademark Office
Office of Procurement
Box 6
Washington, DC 20231

Courier or Express Mail Service

U. S. Patent and Trademark Office
Office of Procurement
2011 Crystal Drive
Crystal Park One, Suite 810
Arlington, VA 22202

STEP 3. REVIEW OFFERORS' SUBMISSIONS, IDENTIFY VIABLE APPROACHES, AND CONDUCT INITIAL DOWN-SELECTION

The purpose of this initial review is to identify viable approaches and determine a manageable number of offerors with the greatest opportunity for award. The evaluation elements which will be utilized for this step are:

- (1) Past Performance/Experience
- (2) Quality Control

- (3) Management Plan/Staffing Plan
- (4) Technical Understanding and Approach
- (5) Estimated Cost

The first four elements are of approximate equal weight and together are significantly more important than cost.

At this point offerors rated unfavorably will be encouraged to voluntarily withdraw from the selection process. Offerors no longer considered for evaluation will be promptly notified and debriefed on the results of the evaluation as requested pursuant to statutory requirements. However, the offerors receiving a debriefing as a result of this process will be unable to continue to Phase II.

Offerors who fail to submit the requested information in the Project Agreement when first published by the due date will not be considered for further evaluation. For the purposes of this stage of the solicitation process, the FAR clauses that apply are available as a supplement to this document.

The Government reserves the right to make a determination of award based on the evaluation of the initial submissions.

PHASE II

STEP 4. ISSUE STATEMENT OF NEED

If there is an initial down-selection, the Project Team will issue a SON to those offerors who remain under consideration. The SON will provide detailed requirements necessary to meet the Project Objective and instructions for further proposal submission.

STEP 5. RECEIVE PROPOSAL(S) BASED ON STATEMENT OF NEED

Those offerors remaining under consideration will be given the opportunity to submit a proposal in response to the SON.

STEP 6. MAKE “BEST VALUE” DETERMINATION AND FURTHER DOWN-SELECTION

In evaluating proposals submitted in response to both this Project Agreement and SON, the Project Team will use a “best value” evaluation to determine which offer is most advantageous to the PTO. That is, the Project Team will select the solution that offers the best value to the PTO, price and other factors considered. In making this selection, the Project Team is more interested in obtaining quality performance, superior technical capabilities and innovative approaches than in making an award at the lowest cost, using

the evaluation criteria as set forth in Step 2. The Project Team will also identify risks, benefits and the likelihood of success associated with the winning proposal.

The Project Team may make a further down-selection based upon the evaluation criteria. Offerors no longer considered for further evaluation will be promptly notified and debriefed as to the results of the evaluation, as requested, pursuant to statutory requirements. However, offerors receiving a debriefing will be unable to continue to the next step.

After technical and price evaluations are completed, a potential awardee must be determined to be responsible before a contract will be awarded. In order to be determined responsible, the successful offeror must be able to comply with the required delivery schedule; possess adequate financial resources; have a satisfactory record of integrity; have the necessary organization, experience, accounting and operational controls to manage the contract; and have access to equipment to perform the tasks outlined in the Project Agreement

11. INCUMBENT CONTRACTOR

USPTO Mail Center, Contract No. 50-PAPT-5-00021, with Vistronix, Inc., 8391 Old Courthouse Road, Suite 220, Vienna, VA, 22182.